



SPECIAL REPORT: EUROPEAN TUNA CONFERENCE 2009

The second European Tuna Conference was held in Brussels on 27 April 2009. A major theme was the question of resource sustainability. This was surprising for a mainly industry-centred event as similar conferences have generally avoided serious discussion on the environmental aspects of the sector. In fact, this probably indicates a greater realisation by industry of the environment limits to the sector. In his opening speech MW Brands CEO Adolfo Valsecchi predicted a probable future of progressively higher raw material prices, driven by emerging markets and, more important, limitations on resource volume. Jim Joseph, an eminent fisheries scientist, provided a detailed review of the state of the world's tuna stocks. He made the central and long acknowledged point that the capacity of global purse seine and longline fleets exceeds available catch. This crisis of overcapacity places considerable political pressure on governments to avoid limits on tuna fisheries to scientifically sound levels.

Susan Jackson, President of the new voluntary International Seafood Sustainability Foundation (ISSF) (reported on in last month's *Fisheries Trade News*²), highlighted one of the most important sustainability issues facing the industry: the general failure of regional fisheries management organisations (RFMOs) to implement sufficient conservation measures or to ensure compliance with those that exist. The 'ultimate, achievable goal' of the ISSF is to ensure that:

[t]argeted stocks [are] sustained at or above levels of abundance capable of supporting maximum sustainable yield in a healthy ecosystem upon which they depend.

The ultimate test of ISSF's relevance and effectiveness is whether its members utilise their market power as a grouping of the world's most important tuna brands to put pressure on boat owners to comply with RFMO remits. This, in turn, requires the distant water fishing nations (DWFNs) that represent the interests of tuna boat owners to end their debilitating impact on sound conservation proposals by scientific advisors to RFMOs.

CONTENTS

Special Report: European Tuna Conference 2009

Fisheries Trade-related Regulation

External dimensions of European Commission's proposed Common Fisheries Policy reform

Update on US methylmercury and tuna controversy

Opportunities, challenges and evolution in Marine Stewardship Council certification

Developments in carbon footprints and fish trade debate

Tuna Markets

Chicken of the Sea canning plant closing in American Samoa, opening new plant in mainland US

Promises and pitfalls facing the Japanese tuna fleet

Resource sustainability was an overarching theme of this industry conference



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Two of the strongest presentations shifted the focus of the discussion to investment. Joe Hamby, Managing Director of Tri-Marine, provided an original snapshot of the future of the tuna industry through the prism of recent investment trends. He estimated total capital flows to the canned tuna industry at US\$3 billion over the last three years. Broken down this represented investment by:

- brands at US\$1.3 billion. This was mainly in mergers and acquisitions, such as MW Brands take-over of Heinz European Seafoods, and the various shifts in ownership of the US brands Bumble Bee and Starkist, but also in product innovation;
- processing facilities at US\$0.5 billion. An estimated 12 percent of this capital flowed to new plant capacity in PICs; and,
- boat owners at US\$1.2 billion. Investment in new boats was disaggregated by oceanic region: With 51 percent of boat investment flowing to the WCPO (i.e. 25 new purse seiners, taking the WCPO fleet to 230 vessels), 28 percent to the Indian Ocean (mainly by European interests), 17 percent to the Eastern Tropical Pacific, and the remaining small portion to the Atlantic.

These huge capital flows serve to re-iterate and enforce the urgency of Jim Joseph's point on the crisis of overcapacity in tuna fisheries. In fact, Hamby made the profoundly important point that PICs need to carefully consider the capacity of the purse seine fleet licensed to fish in their waters. He argued that this effort should be better capped as this will lead to improved economic returns for firms and resource owners. His presentation concluded by arguing that the current trend to vertical integration between boats, processors and brands will continue with increasing alliances between these sectors both to share risk and to better ensure sustainable use of tuna resources.

A research analyst at Rabobank, Gorjan Nikolik, situated trends in the tuna industry within the wider context of the world economy. He correctly argued that the canned tuna industry is more recession resistant than other segments of the seafood sector. As it is a low value product, canned tuna doesn't represent a high percentage of consumer spending (e.g. a supermarket basket) and will thus be less likely to be discarded. In addition, unlike fresh chilled tuna, canned is not so highly exposed to the food service industry (e.g. restaurants, catering), which traditionally gets hit when recession bites, as

The test of ISSF will be the extent to which its members use their market power to influence fishing boat owners to comply with ISSF's stated objectives

Investment in the canned tuna industry over the last three years is estimated at US\$3 billion



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people eat at home more. Nikolik concluded that, although debt levels in the canned tuna industry are high, relatively stable profits will typify the sector in the recession. This will, in turn, encourage brands and canning firms to deleverage some of their debt.

While industry congratulated itself on the ISSF initiative, the elephant in the room was very limited coverage of the equity of industry relations with coastal developing countries. The Greenpeace representative dealt fairly extensively with the issue as did the presentation by Hamby, as well as interventions from the audience by representatives from Mauritius and Papua New Guinea. Nonetheless, the controversy of the distribution of returns from tuna value chains to resource owners continues to be ignored by conference organisers.

Note that the last session of the conference focussed on the continuing impact of piracy on Western Indian Ocean tuna fisheries. This issue will be addressed in a more general report in next month's *Fisheries Trade News*. In addition, a summary of a session discussing Marine Stewardship Council (MSC) certification of US albacore fisheries is addressed in the report on MSC below.

FISHERIES TRADE-RELATED REGULATION

External dimensions of European Commission's proposed Common Fisheries Policy reform

The European Commission published a Green Paper on proposed reforms to the EU Common Fisheries Policy (CFP) in April 2009.³ The Paper recognises several negative outcomes of the CFP to date, including that 88 percent of European Community stocks are being fished beyond maximum sustainable yield and that 'most of Europe's fishing fleets are either running losses or returning low profits'. The EC argues that the negative outcomes are down to five structural failings:

- a deep-rooted problem of fleet overcapacity;
- imprecise policy objectives resulting in insufficient guidance for decisions and implementation;
- a decision-making system that encourages a short-term focus;
- a framework that does not give sufficient responsibility to the industry;

The canned tuna industry is relatively recession resistant and may continue to reap stable profits compared to other seafood sectors

The question of the equitable allocation of returns to developing coastal states was largely ignored



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- lack of political will to ensure compliance and poor compliance by the industry.

The Green Paper raises several important issues for PICs, especially for the future of Fisheries Partnership Agreements (FPAs).

The Green Paper states that segments of the EU fishing industry – especially the distant water tuna fleet – have expressed ‘a strong interest’ in extending fisheries access arrangements so that they can better follow the fish. This raises the question of whether the EU fleet may be interested in entering into *regional* agreements. Relevant PICs should examine possibilities here. The *only* example of a regional fisheries access agreement in *practice* is the US Multilateral Tuna Treaty with the Pacific Island countries (1988-to date). The US Treaty could serve as a firm basis for current international best practice, if a regional approach is taken by the EU fleet.

The Green Paper goes on to question whether EU fleets should *alone* pay for fisheries access (i.e. without additional payments from the European Commission). This development should probably be seen in the context of a range of pressures on the provision of fisheries subsidies, including in negotiations on Rules at the WTO. PICs should assess the *real* value of FPAs and compare them where possible with different existing and potential models of access arrangements.

The Green Paper also asks how investment promotion and employment generation in the fisheries sector in third countries (e.g. joint ventures, transfer of technology and know-how) can be pursued. Here PICs could attempt to develop cooperative strategies to interact with the EU on these potentials.

Key to all of this is the obvious strength of a *regional approach* to access arrangements. This is already well developed in the Pacific islands in their relations with external distant water fishing interests and is being promoted elsewhere, including among the coastal states of West Africa. It is likely that PICs will be in a position to share their experiences with other ACP countries.

Update on US methylmercury and tuna controversy

Three recent events have contributed to the ongoing debate over the link between methylmercury contamination and health impacts of consuming tuna products.⁴ Firstly, the US Geographic Survey (USGS) and Harvard University released a

**European
Commission
admits failings
of CFP**

**Possible
reform of
CFP may have
important
implications
for EU
Fisheries
Partnership
Agreements
with PICs**

**New study on
how mercury
from industrial
sources is
transformed
into
methylmercury,
a form that can
be taken up by
marine life**



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study that details how mercury is made biologically available in ocean systems.⁵ The study found that in the Pacific Ocean, mercury levels have risen approximately 30 percent over the last 20 years and predicts that by 2050, the Pacific will be twice as contaminated with mercury as it was in 1995. The research also documents for the first time how mercury from industrial sources (i.e. coal-fired power plants) is transformed into methylmercury, a form that can be taken-up by marine life. The report revealed that, in the United States, approximately 40 percent of all human exposure to mercury is from tuna caught in the Pacific Ocean.⁶ The study has been applauded for revealing the relationship between atmospheric emissions and concentration of mercury in marine fishes. It has also been critiqued as misleading Americans about seafood and health since the study tested mercury levels only in ocean water, and not in fish.⁷

The second event is the continuing debate between US Food and Drug Administration (FDA) and the US Environmental Protection Agency (EPA) over mercury. These agencies publish joint advisories on the quantity of high mercury fish that individuals can safely consume and more generally on seafood consumption and human health. In January 2009, the FDA released an extensive draft report suggesting that concerns over mercury in fish are overstated and the benefits of eating fish outweigh the costs.⁸ The EPA criticized the research findings, highlighting methodological errors and faulty assumptions underlying the study. The FDA received 248 comments on the draft during the open comment period, which closed in April.⁹ Based on these comments, the FDA will revise the report as it sees fit. The final report will have important implications for the development of future fish consumption advisories.

Finally, two legal decisions on mercury and tuna issues have been made in the US. The California Attorney General's office tried to evoke Proposition 65 – a state regulation that mandates warnings on products that cause reproductive harm or cancer – to insist that mercury warning labels appear directly on cans of tuna.¹⁰ In 2004, the effort failed, but the Attorney General's office appealed, modifying its request by asking that warning signs be posted in stores and restaurants selling tuna. In March 2009, the court definitively denied the Attorney General's request on the grounds that methylmercury is a chemical component found naturally in the environment, and that Proposition 65 does not apply for substances that are naturally occurring.¹¹ The findings of the USGS study (see above) that suggest that methylmercury can be created from industrial mercury emissions, could offer the potential to re-

The US Food and Drug Administration and the Environmental Protection Agency clash over mercury contamination in fish

A recent ruling by the United States Supreme Court opens the door for legal action on the tuna-mercury debate



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open the case. Following this, in April the US Supreme Court let stand a lower-court ruling allowing a mercury poisoning lawsuit against Tri-Union Seafoods (owner of Chicken of the Sea brand tuna). The plaintiff alleges that Tri-Union failed to warn consumers about possible harm from mercury in its products. The next step is likely a trial in which the tuna industry may be forced to prove that mercury levels in tuna are not harmful to people and do not require a warning.¹² The Supreme Court's allowance of the lawsuit opens the door for more legal action on the tuna-mercury debate.

Opportunities, challenges and evolution in Marine Stewardship Council certification

The recent announcement by Loblaw, Canada's largest food retailer, that it will source all of its seafood products – canned, frozen, fresh, wild and farmed – from sustainable sources by 2013, is just one of many examples of the considerable momentum behind the sustainable seafood movement. In this movement, the Marine Stewardship Council (MSC) has proved the industry leader in setting sustainability standards for wild-caught fish, as Loblaw demonstrated by indicating that it will be testing all of its wild-caught seafood supply chains against MSC standards and phasing out 'unsustainable' supply where it cannot be demonstrably improved (note: Loblaw is testing against MSC standards, not necessarily requiring that all products bear the MSC label).¹³

The quantity and value of MSC labelled seafood products continues to grow rapidly. In 2009, the retail value of MSC products is expected to reach US\$1.4 billion, an increase of US\$400 million over 2008 sales. Over 2,000 fish products available in 42 countries bear the MSC label. The number of fisheries involved in the MSC programme rose 41 percent in 2008. By 2009, 43 fisheries were certified under the MSC scheme, and over 100 fisheries were under assessment.¹⁴

MSC has indicated that there is significant unmet global demand for MSC certified tuna products and that certified tuna is one of its strategic priorities. Indeed, there are currently only two certified tuna fisheries.¹⁵ These fisheries were subject of some debate at the European Tuna Conference 2009. A representative of the American Albacore Fishing Association (AAFA) made very clear that the price premiums afforded by MSC certification by its members were central to the survival of this pole & troll fleet. The process took four years and over 90 percent of the AAFA's catch is sold as MSC product, but the

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MSC premiums are central to the survival of the US pole & troll albacore fleet, but high prices have deterred some distributors and retailers



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majority of this is exported. The President of Wild Planet Foods – a top-end US branded-distributor of sustainably caught fish products – indicated *why* AAFA's catch is mainly exported: the higher fish price would translate to each can costing around 50 percent more at point of retail. He concluded that, if the pricing of MSC certified tuna is too high, brands and consumers may be pushed away resulting in a lack of expansion of MSC. Nonetheless, Morrisons – a UK supermarket chain – recently announced that it was adding AAFA-caught MSC certified canned albacore tuna steaks to its *The Best* premium product range.¹⁶

While AAFA's experience in receiving price premiums for MSC-certified catch has been positive, price premiums are not guaranteed and should not be the primary motivation for a fishery entering into certification. Some fisheries are opting to enter into MSC certification as a means of maintaining (or increasing) market access, in the event that environmental certification ends up becoming a pre-requisite.

Six more tuna fisheries have begun the formal certification processes.¹⁷ Two tuna fisheries in the WCPO are considered ready for immediate full assessment: the temperate albacore long line fisheries (Pacific island country flagged vessels) and the Solomon Islands pole and line skipjack fishery.¹⁸ Other tuna fisheries, such as the Maldives's pole and hand line fisheries, have sought sustainable certifications from competing eco-labels, such as Friends of the Sea.¹⁹

Despite these trends, the expansion of the MSC programme is clouded by concerns over the impacts that the global recession could have on the seafood sector and on demand for sustainable products; products that, as noted, carry a price premium.²⁰ MSC notes that fisheries are continuing to come forward for certification and that there is still strong interest in the marketplace, but that there is danger that demand will drop off, or that companies that are MSC supporters could be put out of business during the economic downturn.²¹ Likewise, MSC faces growing competition from an array of competing certification schemes, such as Friends of the Sea. From the perspective of both producers and consumers, the ever-increasing number of eco-labels creates confusion in the marketplace. Competition also stands to dilute MSC's dominance.

In another MSC-related development, the Sustainable Fisheries Association (SFA), a group of MSC certified fisheries and companies, held its inaugural meeting at the European Seafood Exhibition in Brussels in April 2009. The objectives of

There is significant unmet global demand for MSC certified tuna products

It is unclear how the global recession will impact demand for sustainable seafood products



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the Association are to assist the MSC in improving the costs effectiveness and integrity of the MSC programme. Members seek to share information and experiences, advocate for practical, consistent and affordable certification processes, promote and market certified seafood products, and prevent trade barriers for certified products. They are also seeking to develop a unified voice to directly participate into MSC's policy development discussions, because, according to some SFA members, the MSC's rules keep changing with little consideration of the impact on client fisheries.²² A call for membership was made to eligible fisheries last year. Membership costs are US\$1000 and the National Fisheries Institute (NFI), a US seafood trade association, serves as the SFA secretariat. The association will meet annually in conjunction with the European Seafood Exposition in Brussels.²³

Developments in carbon footprints and fish trade debate

Another emerging form of private sector regulation is the carbon footprint associated with fish production.²⁴ New studies are drawing attention to, and suggesting way to reduce, the energy expenditures related to seafood production. For example, early studies by the UK public body Seafish examining which areas of the seafood chain are responsible for the greatest emissions found that fishing itself generates the most emissions.²⁵ Seafish is currently conducting a study on the carbon impacts of *frozen* seafood products, the results of which are due out sometime in 2009.²⁶ Seafish also offer tools for companies to identify which changes in catch and distribution methods can generate reductions in their carbon footprints.

A European Commission study assessing sustainable seafood ecolabels has suggested that certification schemes should include the carbon footprint of fishing practices in their sustainability assessments.²⁷ The study emphasised that the environmental impact of seafood products extends beyond the initial ecosystems impacts of fishing, and suggested that fishing firms should undertake carbon reducing measures, and potentially even implement fuel quotas or tradable carbon credit schemes. The study ultimately suggests that additional environmental criteria could be added to the popular Marine Stewardship Council ecolabel. It also identifies the fishing stage as producing the most greenhouse gases, and highlights that packaging materials greatly increase the carbon footprint of processed seafood products. If the European Commission's proposal gathers momentum, it will add an additional layer

MSC certified companies form the Sustainable Fisheries Association (SFA) to improve the cost effectiveness and stability of the MSC programme

The body of evidence on the carbon-footprint of the seafood industry is growing



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of rigour to MSC certification, as well as a potential burden to producers. As an aside, a recent British documentary highlighted concerns around workers' rights in the canned tuna industry in Indonesia. There is currently however, little motion to support voluntary regulation or labelling of labour rights in the marketing of seafood. (This issue will be featured in next month's *Fisheries Trade News*.)

New attention to the carbon impacts of fisheries trade have the potential to present challenges for PIC fish exporters. In general terms, there is concern that carbon labelling schemes will negatively impact small stakeholders, especially in low-income countries, that may not have the resources to implement and maintain bureaucratically and technically demanding certification processes.²⁸ More specifically, sashimi-grade tuna, which is air freighted to major markets, has been criticised as carbon-costly. If carbon labelling and certification schemes proceed, all producers could be subject to gear and production modifications that will increase carbon efficiency. The upside is that carbon reduction practices could create new market outlets, and reduce production costs over the long term (i.e. through increased fuel efficiency on fishing vessels).

TUNA MARKETS

Chicken of the Sea canning plant closing in American Samoa, opening new plant in mainland US

After years of concern over the longevity of American Samoa's two tuna canneries, Samoa Packing – Chicken of the Sea's processing plant in Pago Pago – is closing. The company began decommissioning operations in May 2009, and all canning operations will be shut down by the end of September 2009.²⁹ After which, the company will maintain only a limited presence in the territory, operating a fish purchasing company that will employ up to 200 people.³⁰

The implications of the cannery closure for the people and the economy of American Samoa cannot be understated. The effects will ripple throughout the region. Most directly, over 2,000 people employed by Chicken of the Sea will lose their jobs; whipping out a quarter of the active workforce in American Samoa.³¹ There are currently no employment opportunities in the island territory that can absorb these workers. Furthermore, the American Samoan government is calculating the magnitude of lost tax revenues the closure will elicit and assessing whether shrunken budgets will mandate

New EC proposals urge that eco-labels should include carbon footprints as part of their sustainability criteria

The socio-economic impacts of the Chicken of the Sea cannery closure will be profound



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layoffs of government workers.³² The American Samoan government is appealing to the US federal government for assistance.

Among PICs, the closure has its greatest implication for neighbouring Samoa. Eighty percent of the cannery workers are from independent Samoa. These workers provide Samoa with important remittance dollars, which will decline dramatically as unemployment in American Samoa mounts. Furthermore, the canneries in Pago Pago are an essential market outlet for small albacore exporting firms and fleets of locally-based longliners in several PICs.³³ While it is too early to determine the fate of albacore from small fleets operating in the WCPO, it is likely that catches will still be offloaded at American Samoa – as well as Pafco in Levuka, Fiji – and transhipped for delivery to canneries in Bangkok, at least in the near-term.³⁴

The apparent culprit for Chicken of the Sea's cannery closure was a 2007 mandate from the US Congress for American Samoa to match the mainland US minimum wage; a mandate that has boosted wages from an average of US\$4/hour, to a minimum of US\$7.25/hour over the course of two years. In reality, the minimum wage increase intensified multiple competitive pressures facing the Pago Pago canneries, including: US tariff reductions at the WTO and through FTAs, competition from low-cost producers in Thailand and Ecuador, highly variable fuel costs, and the global economic recession.

Chicken of the Sea plans to return some of its tuna canning to the US, and is spending US\$20 million to open canning operations in Lyons, Georgia.³⁵ Following the strategy of Bumble Bee's Los Angeles plant and several Italian and Spanish plants, Chicken of the Sea's new plant will can only from imported pre-cooked frozen loins (both albacore and lightmeat). The high-cost, labour intensive loining process will be conducted in lower-cost sites of production, such as Thailand. The Georgia plant will employ 200 people and will take advantage of the relative decrease in utility costs (compared to those in American Samoa), shipping costs (Georgia is home to the third largest container terminal in the United States) and input material costs associated with producing in the mainland US (at least when compared to a small island economy). While the company is investing to get the plant up and running, it is taking over an existing facility, which minimizes capital expenditures. The location of the plant grants Chicken of the Sea geographic proximity to the large market of the northeast US.³⁶

American Samoa's second cannery, owned and operated by StarKist (which was recently purchased from US giant Del

**Minimum
wage increases
intensified
competitive
pressures
facing
American
Samoa's
canneries**

**StarKist
says that it
currently has
no plan to
close its Pago
Pago cannery**



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Monte by the Korean firm Dongwon), says that it has no plans at this time to close its Pago Pago cannery.³⁷ However, rumours have persisted that StarKist is planning to lay off approximately 250 workers in response to the final minimum wage hike in the territory, which went into effect on 25 May.³⁸ This follows StarKist's 2008 efforts to implement cost-cutting measures to offset increased wage costs.

Promises and pitfalls facing the Japanese tuna fleet

The political significance of Japanese fishers is indicated by the Japan Fisheries Agency's response to mass demonstrations at soaring fuel costs in July 2008; it provided a new US\$703 million subsidy to the sector. Fisher's associations were compensated for 90 percent of the costs of fuel rises and those fishers that were so badly hit by fuel price rises that they had to halt or reduce their operations, were able to access expanded interest free loans and financial assistance. The fund for these measures expired in March 2009 with the end of the 2008/09 financial year.³⁹ The impact of the end to this subsidy may be exacerbated by a subsequent 2.5 percent cut in the Fisheries Agency's budget for 2009/10. But US\$150 million of this budget is provided for energy conservation (e.g. to support fuel efficiency increases) and reform to the industry structure, so fishers may still receive substantial (new) subsidies.⁴⁰

On the declining trend in Japanese seafood consumption,⁴¹ a government white paper expressed concern that this trend needs to be stopped otherwise Japanese fishers and seafood processors could be negatively impacted.⁴² In addition, the government is trying to improve Japan's food self-sufficiency rate: only 40 percent of Japanese calorific consumption comes from domestic food, a significant drop from 73 percent in 1965, and one of the lowest rates in the OECD countries. The target is to increase the self-sufficiency rate to 45 percent by 2015. While consumption of domestically produced rice and vegetables are seen as key to meet this target, consumption of domestically-caught fish is a component of government plans.⁴³

This may provide an additional economic spur to Japanese fishers, although there has been a recent recession-induced shift in Japanese consumption to lower priced fish and fish products. This includes a reported trend away from fresh to frozen and processed fish. One analyst argues that, while the rise in purchases of 'budget' seafood has stimulated general levels of consumption, the industry and its existing distribution

Japanese fishers will continue to receive significant government subsidies

The Japanese government wants to increase levels of domestic self-sufficiency in food

With a rise in budget seafood there is huge pressure on bigeye tuna prices in Japan



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networks may not be well placed to offer discounts for long periods. For example, there is high price pressure on bigeye tuna, which consumers will reportedly not buy unless it is priced at ¥198 (US\$2.01) per 100 grams or less.⁴⁴

Turning to tuna-specific fisheries, Japan's Fisheries Agency committed to retiring around 12 percent of Japanese tuna longliners by the end of March. In other words, of its total fleet of 739 tuna longliners, 64 deep-sea boats and 23 used for coastal fishing will be decommissioned.⁴⁵ The reported rationale for this move is a reaction to the toughening of restrictions on tuna catches, particularly cuts to Japan's bluefin quota at the International Commission for the Conservation of Atlantic Tunas (ICCAT). The inevitable rise in unemployment of Japanese tuna fishers is being met by a government scheme to shift their employment as sailors for domestic shipping firms, where the general ageing of crew offers opportunities for new entrants.⁴⁶ The Chairman of the Japan Skipjack and Tuna Fisheries Cooperatives has defended the current collective fleet size of his members at 200 boats; arguing that 'we are determined to not lose any more. If the number of boats goes below 200, it will mean an accelerated decline'. He went on to maintain that this fleet size is optimal to access foreign fishing grounds (i.e. through the sharing of costs) and any decline would negatively impact affiliated industries in Japan such as boat yards and processors.⁴⁷

On a more positive note from the perspective of Japanese industry, the Japan Far Seas Purse Seine Fishing Association estimates that the value of its catch for 2008 was 17 percent higher than compared to 2007. The Chairman of the Association raised concerns that: 'If disorderly fishing operations continue to increase, overexploitation of the resources will be inevitable, ending in a very dangerous result'.⁴⁸ As an indication of profitability in Japan's purse seine fleet, the seafood multinational Kyokuyo announced that it has invested in a new 'integrated' vessel with a capacity of 1,200mt, which will increase this firm's purse seine fleet to four vessels.⁴⁹ In an attempt to mitigate the troubles facing Japan's longline industry, the Japanese Fisheries Research Agency has undertaken test sales of sashimi swordfish as an alternative to tuna.⁵⁰ The results of these experimental sales are not known.

Another emerging opportunity for the Japanese industry, and by extension Japan's fishing fleets, is export markets. For decades industry has focussed primarily on the high-value domestic market, but data released by the Japan Fish Traders

**12 percent of
Japanese tuna
longliners to be
decommissioned**

**The Japanese
purse seine
fleet performed
well in 2008**

**Japanese
industry eyes
export markets**



Association record a 100 percent increase in exports in March compared to the same month in 2008.⁵¹ Now the Ministry of Agriculture, Forestry and Fisheries is pushing for improved access to the US market to accelerate the boom in exports, including farmed *yellowtail* (a good species for farming). A push here is to increase the number of HACCP-certified factories in Japan (HACCP plans are a core component of the US seafood import regime).⁵²

Coming in the next issue (June 2009, Vol. 2: Issue 6)

- Labour rights and the global fish trade
- The continuing impact of piracy on Western Indian Ocean tuna fisheries
- Exporting tuna to China



¹ Prepared for the FFA Fisheries Development Division by Liam Campling, Consultant Fisheries Trade Analyst, FFA, and Elizabeth Havice, University of California-Berkeley. Desktop publishing by Antony Price. The authors would like to thank Amanda Hamilton for her substantial inputs on an earlier draft of this briefing. The contents of this briefing (including all analysis and opinions) are the responsibility of the authors and do not necessarily reflect the positions or thinking of the FFA Secretariat or its Members.

² For an overview see 'Tuna Industry leaders launch International Seafood Sustainability Foundation', *FFA Fisheries Trade News*, March&April 2009, 2(3). Available at: http://www.ffa.int/trade_news

³ European Commission COM(2009)163 final, 22 April 2009. 'Green Paper: Reform of the Common Fisheries Policy'. Available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0163:FIN:EN:PDF>

⁴ For additional background on elements of these debates, see 'Developments in the US debate on the mercury content of tuna', *FFA Fisheries Trade Briefing*, July-August 2008, 1(8&9). Available at: http://www.ffa.int/trade_news.

⁵ Elise M. Sunderland, et al. (2009), 'Mercury sources, distribution and bioavailability in the North Pacific Ocean. Insights from data and models', *Global Biogeochemical Cycles* 2(3).

⁶ Noelle Straub, 'Study shows link between air pollution, contaminated seafood', *New York Times*, 1 May 2009. Available at <http://www.nytimes.com>.

⁷ 'USGS mercury study lacks seafood standing'. *Center for Consumer Freedom*, May 4 2009. Available at: <http://www.consumerfreedom.com>.

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⁹ Sharon Begley, 'Smackdown! EPA, FDA and mercury in fish'. *Newsweek*. 24 April 2009. Available at: <http://www.newsweek.com>

¹⁰ See Box 14.6 in Liam Campling, Elizabeth Havice and Vina Ram-Bidesi (2007), *Pacific Island Countries, the Global Tuna Industry and the International Trade Regime*, Honiara: FFA. Available at <http://www.lulu.com/content/1481398>

¹¹ 'Canned tuna wins California mercury label fight – again'. *IntraFish Media*, 13 March 2009. Available at: <http://www.intrafish.no>. Natalia Freitas, 'The man who won the battle against the tuna-mercury myth'. *Atuna.com*, 13 March 2009. Available at: <http://www.atuna.com>

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¹³ 'Loblaw Companies Limited sustainable seafood policy initiative'. Available at: http://www.loblaw.ca/en/pdf_en/lcl_seafood_policy_initiative.pdf; 'Loblaw makes commitment to source 100 percent sustainable seafood by 2013'. *Trading Market News*, May 20 2009. Available at: <http://www.tradingmarkets.com>

¹⁴ 'Continued growth of MSC labelled products "tremendously encouraging"'. *Fish Information and Services*, 28 April 2009. Available at: <http://www.fis.com/>

¹⁵ These are: the north and south American Albacore Fishing Association Pacific albacore tuna fisheries. See: www.msc.org.

¹⁶ 'Morrisons launches MSC-labeled tuna', *IntraFish Media*, 2 June 2009. Available at: <http://www.intrafish.no>.

¹⁷ These are: the American Western Fish Boat Owners Association North Pacific albacore tuna (two fisheries), the Canadian Highly Migratory Species Foundation British Columbia North Pacific Albacore tuna, the New Zealand albacore tuna troll fishery, the St. Helena pole & line and rode & line yellowfin, bigeye, albacore and skipjack tuna, the Tosakatsuo Suisan Japan pole & line skipjack tuna. See: www.msc.org.

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